



March 12, 2003

Charitable Gaming
Directive No. 10.02.01

Hall (Secure Locked Storage, Money Counting Room, and Rental Fee Restrictions)

BACKGROUND

Act 382 of the Public Acts of 1972, as amended, allows for the issuance of bingo hall licenses. The charitable gaming rules require licensed halls to comply with directives of the bureau.

Hall Rule 1004 states in pertinent part: "(1) Upon the issuance of a hall license or the renting or allowing the usage of a licensed hall for the conduct of a licensed gaming event, the hall licensee agrees to all of the following terms and conditions:

(a) To be bound by and comply with the act, these rules, terms of probation, directives of the bureau, public policy of the state of Michigan, and any other local, state, and federal laws and regulations."

Hall Rule 1005 states: "(1) The hall licensee shall not charge or accept a fee for rent different from the fee that has been approved by the bureau. A licensed hall shall not be rented to a licensee on a percentage basis.

(2) The rental fee stated in the agreement shall include all charges payable to the hall licensee for services related directly or indirectly to the conduct of bingo at the licensed hall.

(3) Any changes to the original rental agreement shall be submitted to the bureau in writing for approval prior to implementation. These changes shall be agreed to by both the hall licensee and bingo licensee."

SECURE LOCKED STORAGE

1. All new bingo halls and any existing bingo hall that increases the number of bingo occasions allowed under their license shall be required to provide each bingo license a secure locked storage unit(s) of a minimum 72 cubic feet.

MONEY COUNTING ROOM

2. All new bingo halls and any existing bingo hall that increases the number of bingo occasions allowed under their license shall be required to provide a secure money counting room for use by the bingo licensees of a minimum 100 square feet.

RENTAL FEE RESTRICTIONS

3. Bingo hall licensees may only charge rent that is reasonable.
4. The bureau shall approve the maximum rental amount that may be charged to any bingo licensee.

5. A maximum rental amount has been established for each of the following geographic zones. Each year the bureau will adjust the maximum rental amount for each zone based on the Detroit Consumer Price Index. The zones are comprised of the following counties:

Zone 1 – Southeast Michigan

Macomb, Oakland, Wayne.

Zone 2 – Lower Michigan

Allegan, Barry, Berrien, Branch, Cass, Calhoun, Clinton, Eaton, Genesee, Gratiot, Hillsdale, Ingham, Ionia, Jackson, Kalamazoo, Kent, Lapeer, Lenawee, Livingston, Monroe, Montcalm, Muskegon, Ottawa, Saginaw, Shiawassee, St. Clair, St. Joseph, Van Buren, Washtenaw.

Zone 3 – Northern Lower Michigan

Alcona, Alpena, Antrim, Arenac, Bay, Benzie, Clare, Charlevoix, Cheboygan, Crawford, Emmet, Gladwin, Grand Traverse, Huron, Iosco, Isabella, Kalkaska, Lake, Leelanau, Manistee, Mason, Mecosta, Midland, Missaukee, Montmorency, Newago, Oceana, Ogemaw, Oceola, Oscoda, Otsego, Presque Isle, Roscommon, Sanilac, Tuscola, Wexford.

Zone 4 – Upper Peninsula

Alger, Baraga, Chippewa, Delta, Dickinson, Gogebic, Houghton, Iron, Keweenaw, Luce, Mackinac, Marquette, Menominee, Ontonagon, Schoolcraft.

Signed copy available upon request.

James E. Kipp, Acting Lottery Commissioner

Date